HON'BLE SRI JUSTICE GODA RAGHURAM

W.P.NO. 572 of 2007

DATED: 23.1.2007

Between:

M/s Ratan Steel Corporation and another

… Petitioners

and

Punjab and Sind Bank

… Respondent

HON'BLE SRI JUSTICE GODA RAGHURAM

W.P.NO. 572 OF 2007

ORAL ORDER:

The petitioners and 2 others were issued a notice on 7.2.2005 under Section 13 (2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short 'the Act'), intimating that they defaulted on the repayment of the loan advanced by the respondent-Bank, a secured debt; that the 2nd petitioner stood guarantee along with another for the debt and created an equitable mortgage of the specified property; that the account was classified as non-performing asset and that the addressees are jointly and severally liable to pay and discharge in full an amount of Rs.45,04,483/-, within 60 days from the date of receipt of the notice, failing which the Bank would take further measures.

Proceedings under Section 13 (4) of the Act were issued on 23.7.2005, intimating that physical possession of the secured assets would be taken as the addressees (of the Section 13 (2)

notice) had failed to liquidate the liability within the stipulated time. Pursuant to the notice issued under Section 13 (4) of the Act, a tender-cum-auction notice under the Act was issued notifying the property of the petitioners and 2 others for sale on sealed tender-cum-auction basis. These proceedings are challenged in this writ petition.

As against an order under Section 13 (4) of the Act, the petitioners have a statutorily fortified appellate remedy under Section 17 of the Act. In view of the availability of an alternative statutory remedy, this court is not inclined to adjudicate upon the issues presented in this writ petition.

The writ petition is accordingly dismissed. The petitioners are at liberty to pursue the appellate remedy. There shall be no order as to costs.

GODA RAGHURAM, J

Date: 23.1.2007
CVM